Please add claims 21-25 as follows:

21. A method of reducing a blocking artifact appearing when coding a moving picture, comprising:

selecting a plurality of pixels;

obtaining frequency information for each of the plurality of pixels;

adjusting a discontinuous component in a frequency domain of a first pixel of the plurality of pixels based on a corresponding component in the frequency domain of a second pixel of the plurality of pixels; and

applying the adjusting operation to a spatial domain of the first pixel to reduce a blocking artifact.

C1 cont'd

22. The method according to claim 21, wherein a magnitude of the discontinuous component in the first pixel is adjusted to a magnitude of the corresponding component in the second pixel, wherein the magnitude of the corresponding component in the second pixel is based on a smallest value of corresponding component magnitudes in remaining pixels of the plurality of pixels.

23. The method according to claim 22, wherein the adjusting step satisfies at least one of the following conditions:

$v_3' = v_3 - d$; and

$v_4' = v_4 + d$; where $d = \mathrm{CLIP}\,(c_2(a_{3,0}' - a_{3,0})//c_3, 0, (v_3 - v_4)/2) * \delta(|a_{3,0}| \langle QP)$,

$a_{3,0}' = \mathrm{SIGN}(a_{3,0}) * \mathrm{MIN}(|a_{3,0}|, |a_{3,1}|, |a_{3,2}|)$, wherein v_3 - v_4 are initial pixel values, v_3' - v_4' are adjusted pixel values, $a_{3,0}$ - $a_{3,2}$ are the discontinuous component of the discrete cosine transform coefficients of the first and second pixels, c_2 and c_3 are DCT kernel coefficients and QP is a quantization parameter of a macroblock containing v_4.

C1 cont'd

24. The method according to claim 21, further comprising:

determining a smoothness level of the plurality of pixels; and

selecting one of a first and a second mode based on the smoothness level, wherein the blocking artifact is reduced based on the selected mode, wherein the second mode is selected when the following condition is satisfied: ($v_0 == v_1 \&\& v_1 == v_2 \&\& v_2 == v_3 \&\& v_4 == v_5 \&\& v_5 == v_6 \&\& v_6 == v_7$), wherein v_0 - v_7 are pixel values.

25. The method according to claim 24, wherein the adjusting step in the second mode satisfies at least one of the following conditions:

$$v_3' = v_3 - d;$$

$$v_4' = v_4 + d;$$

$$v_2' = v_2 - d_2;$$

C1 concl

$$v_5' = v_5 + d_2;$$

$$v_1' = v_1 - d_3; \text{ and}$$

$$v_6' = v_6 + d_3,$$

where

$$d_1 = (3(v_3 - v_4)//8)*\delta(|a_{3,0}| \langle QP),$$

$$d_2 = (3(v_3 - v_4)//16)*\delta(|a_{3,0}| \langle QP), \text{ and}$$

$$d_3 = (3(v_3 - v_4)//32)*\delta(|a_{3,0}| \langle QP),$$

wherein v_0 - v_7 are initial pixel values, v_1' - v_6' are adjusted pixel values, $a_{3,0}$ is the discontinuous component of the discrete cosine transform coefficients of the first pixel and QP is a quantization parameter of a macroblock containing v_4.